

The 10 or So Commandments of Fund Raising

2011 Rural Forums
Jerry Miller PCED,
Economic Development Specialist



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1. Thank Before You Bank



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Thank All Donors Big and Small

- Goal = Leave your donors with a memorable and favorable impression.
- Personal Touch is Best – Use the good old fashion Thank You Card.
- Public recognition or a public thank.
- Recognition is a **MUST** for those chasing business/corporate donations.



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For Grants and Corporate Donations

- Send a formal thank you letter to the head of the organization.
- In the letter praise the contact person who helped you through the process. Do this even if they were a jerk.
- Send a personalized thank you card or note to the contact person.



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2. Tell Your Story



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Why

- Donors want to know how their money is being spent.
- Reinforce Memorable and Favorable Impression.
- Make friends. People can't give to you if they don't know you.



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How?

- Use your local press.
- Social media (Facebook, Twitter, Emails) – This is especially important for reaching the under “40” crowd.
- “Fly the Flag” – Have a brand and put it everywhere



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thank you

for making it possible
to turn children's troubles into triumphs

You play a critical role in helping troubled children find the hope and promise of a brighter future. We are truly grateful for your compassionate support. Thank you. We ask that you continue to partner with us to:

- Shelter children who have nowhere else to turn.
- Provide counseling for their emotional and behavioral problems.
- Afford them the respect and encouragement that every child needs to thrive.

How You Can Help

- Cash Donations
- Memorial and Honorary Gifts
- Matching Gifts
- In-kind Donations

The Honor Roll of Donors that follows recognizes individuals and organizations who made major gifts to help troubled children in Idaho between July 1, 2009, and June 30, 2010. Major gifts included:

- **Tribute Funds:** Permanent funds created within the IYR Endowment when cash contributions in honor or memory of a loved one exceed \$500.
- **New Lifetime Friend Funds:** Gifts that total \$500 or more in honor of living persons.
- **Bridge Builder Legacy Society:** Donors who included financial support to the Idaho Youth Ranch in their estate plans.

• Cash and noncash donations of goods and services of \$500 or more



The Honor Roll also recognizes our corporate

NEW TRIBUTE FUNDS

Mary E. "Peggy" Arvin Memorial Fund
Earl H. Brown, Jr. Memorial Fund
Stephen A. Castleman Memorial Fund
Edwin C. and Annabell H. DeMoss
Memorial Fund

Keith H. Eckersell Memorial Fund
Norma J. Flora Memorial Fund
Lulu Foltz Memorial Fund
Lyle Gunderson Memorial Fund
Houston Family Memorial Fund In
Memory of Frederick "Fred" and
Alpha J. Houston

Orville M. "Bud" Johnson
Memorial Fund

Charles F. and Carrie A. Judy
Memorial Fund

Opal Juria Memorial Fund
Klaue Family Memorial Fund
In Memory of August V. and
Mary E. Klaue

Lawrence W. Loughmiller
Memorial Fund

Rich E. Orme Memorial Fund

Carl N. Poulter Memorial Fund

AWT Joseph "Boats" John Pycior, Jr.
Memorial Fund

Violet C. Reeder Memorial Fund

Larry E. Simmons Memorial Fund

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3. Get a 501(c)3 Hook Up



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What the heck is a 501 blah blah?

- 501(c)3 – Is an IRS designation for certain types of not-for-profit organizations.
- Some of the types of organizations eligible for 501 (c)3 status...
 - Charities
 - Education
 - Scientific
 - Sports
 - Religious
- IRS allows pass through donations.



Pros...

- Your donors can deduct gifts to your organization on their taxes.
- Most grant makers will only give to 501(3).
- Requires the adoption of sound management policies.



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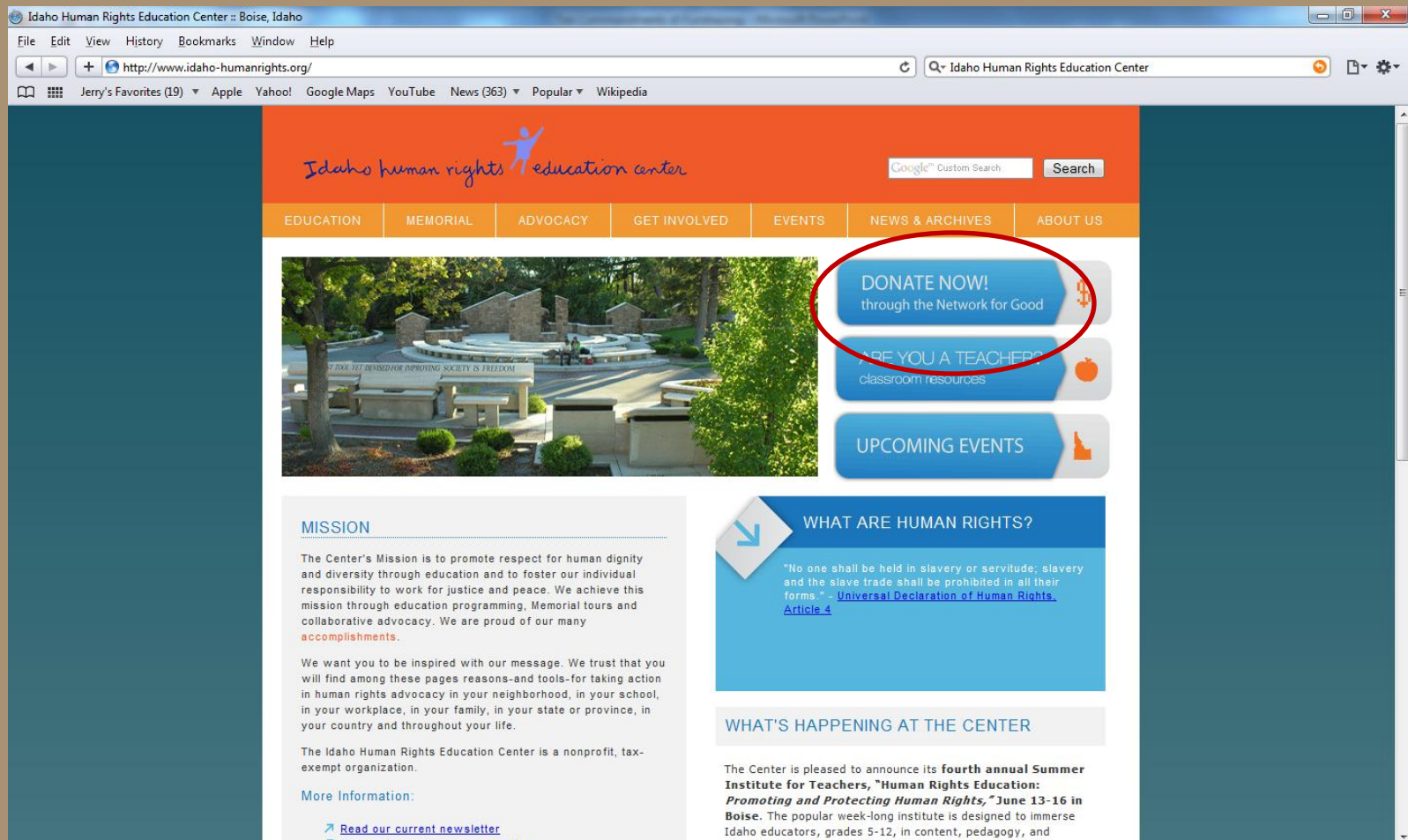
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Pitfalls...

- Administratively difficult to set up and IRS approval is not guaranteed
- Must file annual tax returns (IRS 990 plus attachments).
- Extra burdens and liability on board members.
- De-Certification by the IRS.



4. Every Contact is a fundraising opportunity.



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How?

- Donation button on the website
- Fundraising messages and remit envelopes in all printed materials.
- Capture names, address, and phone numbers at all events.
- Have a ready to go elevator speech/money pitch.



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5. Use Your Board.



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Why?

- Board involvement allows staff to focus on the mission.
- Conflict of interest.
- Board Engagement = More Potential Contacts.
- Adds that important personal touch to your fundraising campaign.



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How?

- Board Members should be donors to your organization.
- Recognize and publicize your board members.
- Storytellers.
- Attend Donation Ask



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Rolodexing

- Step 1 – Compile a list of potential donors – This could be chamber members, past donors, event attendees or program participants.
- Step 2 – Have board members personalize notes to those on the list with whom they have a relationship.
- Step 3 – Have board members follow up with those they sent notes.
- Step 4 – Have board members solicit donations from their own contacts.



6. Beware of the Grant Traps

{ Application Handbook }



Idaho Community Development Block Grant Program

August 2009



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The Traps...

- Most grants won't support general operations or overhead.
- Grants often contain unfunded administrative requirements.
- Cash flow.
- Mission distraction.



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When to Use Grants

- When an organization has enough non-grant cash flow to support basic operating expenses.
- One time projects with fixed beginning and end dates.
- When the size of the grant fits within your organizations financial management systems.



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7. Beware of Event Traps



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Pros...

- Events are a great way to make friends and generate publicity for your organization.
- Fun!
- Reach audiences not found through traditional means.



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Cons...

- Events require lots of work.
- Attendance is always uncertain.
- Competition from other events.
- Event cost can eat into your profit and bottom line.



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How to maximize your event profits ...

- Push advance ticket sales
- Limit the number of free tickets or admissions.
- Sell advertising space in event programs and materials.
- Up sell drinks.
- Tailor your event to the demographic



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8. Have a Gift Policy



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Why

- Protect the organization from hidden cost and liabilities.
- Avoid conflicts of interest.
- Facilitate planned giving.



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What should a policy include

- A list of the types of gifts your organization will and will not accept.
- The circumstances that gifts will be accepted.
- How gifts will be recognized and tracked.



Gift Policy Continued

- Planned giving checklist.
- Have public wish list of desired gifts.
- Consider developing a gift acceptance agreement or contract.



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9. Upgrade Your Donors



Giving Pyramid

Major Gift –
Planned Givers

Multi Year Donors

Annual Regular Donors

First Time or Occasional Donors

Friends, Volunteers, Users, Benefactors



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10. Social Media is Your Friend



Volume 9 Issue 9

April 13, 2011

In This Issue

- Women and Children
- Humanities Collections and Reference Resources
- Homeless Pet Prevention
- Environmental Film Makers
- Music Education
- Playgrounds
- Children, Pets, Literacy
- Social Justice Projects
- Phone Apps for Educators
- Fish Habitat

Women and Children

www.whofoundation.org

The WHO (Women Helping Others) Foundation supports grassroots charities that serve the overlooked needs of women and children in the United States and Puerto Rico. The foundation prioritizes specific projects and programs that address health and social service needs. The foundation recognizes the value of new programs created to respond to changing needs and will consider projects of an original or pioneering nature within an existing organization. Grants will range from \$1,000 to \$40,000.



Why?

- Its Cheap when compared to other media.
- Instant feedback.
- Easy for others to share your message.
- Younger audience.



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Tools of the Trade

- Facebook - Quick and easy way to have a presence on the web.
- Twitter – Good for meeting strangers.
- Mail Chimp – Mail Chimp is a mostly free email newsletter service. Mailchimp.com



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Department of Commerce

www.commerce.idaho.gov

www.gemstateprospector.com

Jerry Miller PCED

V: (208) 334-2650 ext 2143

F: (208) 334-2631

jerry.miller@commerce.idaho.gov

PO Box 83720

Boise ID 83720-0093



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